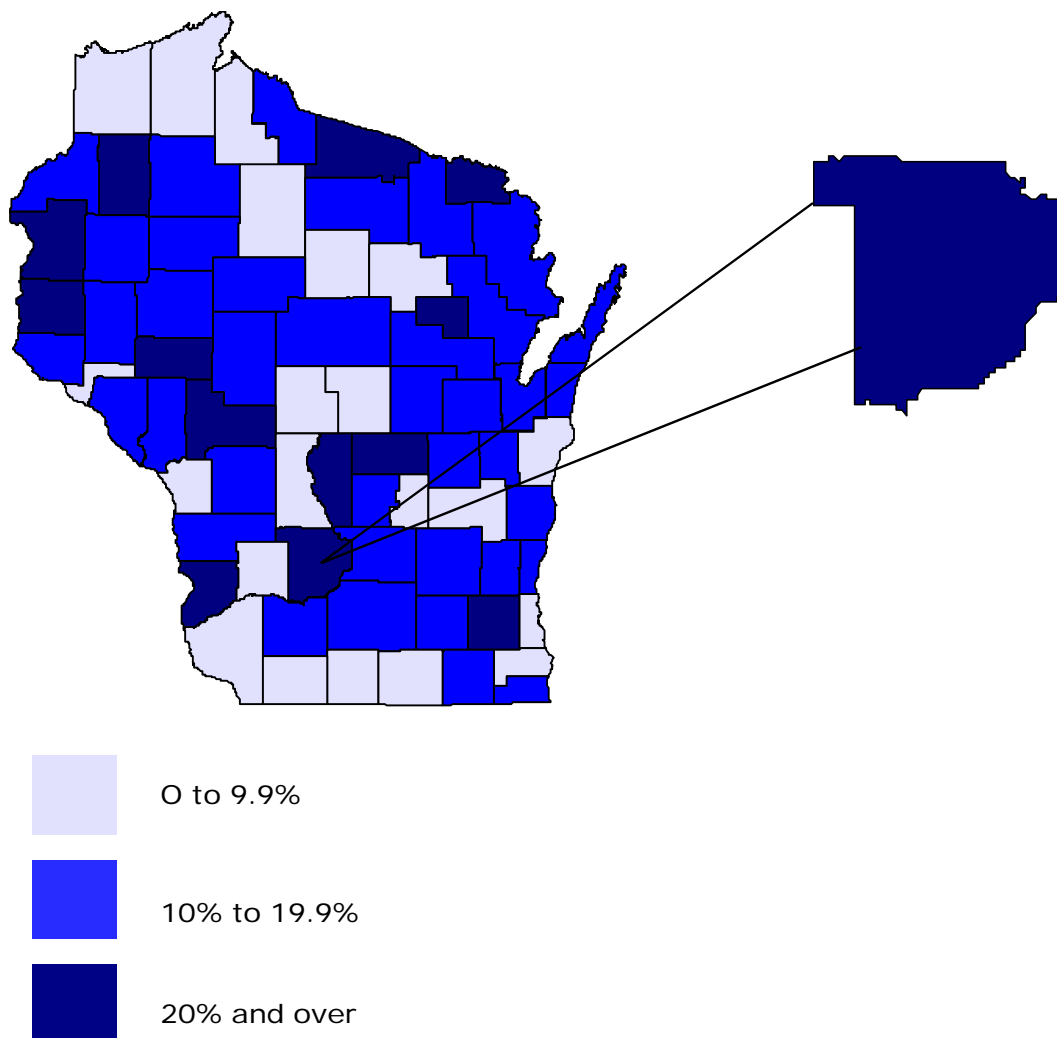


Sauk County Workforce Profile

Job Growth 1994 to 1999



**Wisconsin Department of Workforce Development
Division of Workforce Solutions
Bureau of Workforce Information
October 2001**



State of Wisconsin
Department of Workforce Development

Introduction

The County Workforce Profile has been developed by the Wisconsin Department of Workforce Development's (DWD) Bureau of Workforce Information (BWI) to provide a broad overview of Sauk County's labor market. The data included in this fourth year of publication is for 1999 to maintain consistency with the previous publications and to provide the user with a single year of reference in order to draw comparisons and form a picture of related labor force and employment information.

A variety of economic and demographic labor market information have been provided to describe the current labor market conditions in the counties and regions of Wisconsin. That information includes 1999 data on population, labor force, industries, employment, wages and income. The narrative describes how local conditions have changed over one-year and five-year intervals. Although population information is available from the 2000 census, it is not included in this publication since the period of time selected for all data sets is 1999. For more recent releases of information please consult the Wisconsin Department of Workforce Development Labor Market Information website: <http://www.dwd.state.wi.us/lmi>.

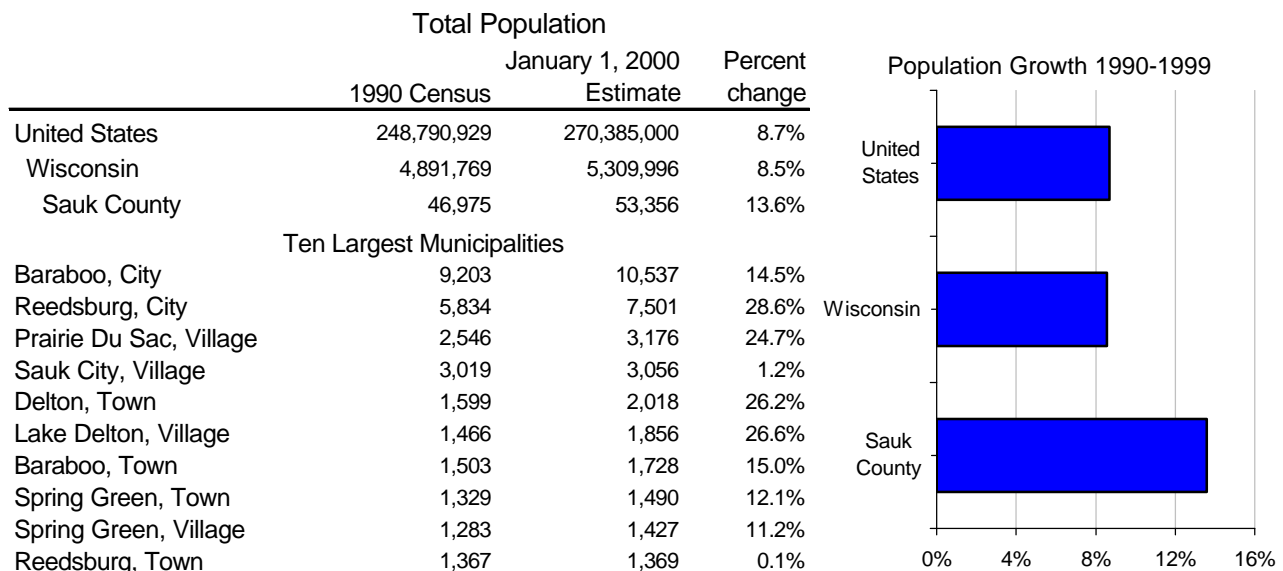
For more detailed information or clarification, please contact your local labor market analyst, Dan Barroilhet, by telephone (608-242-4885) or email (barroda@dwd.state.wi.us).

DWD is an equal opportunity service provider. If you need assistance to access services or material in an alternate format, please contact the analyst listed above.

Sauk County Population and Civilian Labor Force

Between the 1990 census and the January 1, 2000 estimate of the 1999 population, Sauk County grew by nearly 6,400 people or nearly 14 percent. Over three-quarters of that increase was due to net migration (migration into the County minus migration out of the County), and less than one-quarter of that increase was due to natural increase (births minus deaths).

Sauk County's five largest municipalities accounted for over 49 percent of its population and less than 8 percent of its population growth. The ten largest municipalities accounted for 64 percent of the population and less than 10 percent of the population growth. Although not yet among the ten largest municipalities, the Town of La Valle and Dellona experienced the seventh and eighth largest numerical growth. In terms of proportional growth, Dellona was fifth, the Town of La Valle was sixth, the Town of Merrimac was seventh and Fairfield was tenth. Population growth and commerce clustered near major transportation corridors. In the northern and eastern portions of Sauk County, highways 12 and 33 and Interstate 90/94 took businesses, residents, commuters and travelers to Baraboo, Lake Delton La Valle, Reedsburg and Sauk City.

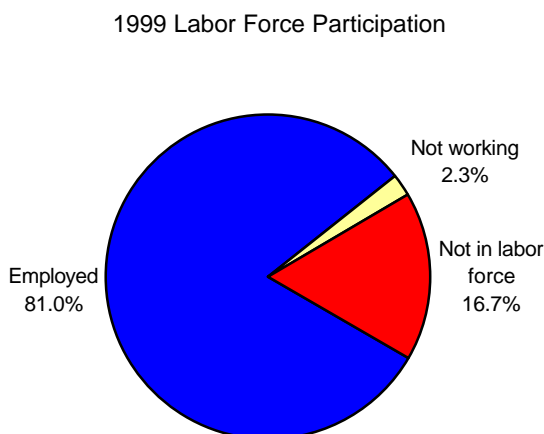


* Sauk County portion only

Source: WI Dept. of Admin., Demographic Services Center, *Official Population Estimates*, January 1, 2000

The first step toward understanding labor force participation rates may be to define who is not in the labor force. People who do not seek work, such as students, homemakers, retirees and discouraged workers are “not in the labor force”. People who are not eligible for employment are not counted as unemployed and are not counted as “not in the labor force; they are excluded altogether from the discussion. Reasons for ineligibility include incarceration, institutionalization, active military service or insufficient age (under 16). The term “unemployed” refers only to bona fide job seekers who are not working.

The participation rate is the share of the employment-eligible population that works or looks for work. On average, in 1999, roughly 83 percent (nearly 33,700) of Sauk County’s employment-eligible residents worked or sought work and less than 17 percent were not in the labor force. This was fifth highest participation rate among Wisconsin’s 72 counties and was considerably higher than the statewide average of 72.3 percent or the national average of 67.1 percent. Factors contributing to the high rate of labor force participation include the presence of one of the Midwest’s largest mail-order firms and large numbers of seasonal jobs near Baraboo, Lake Delton, Reedsburg and Wisconsin Dells.



Source: Estimated from WI Dept of Administration population estimates, Jan 2000, US Census Bureau, and Local Area Unemployment Statistics

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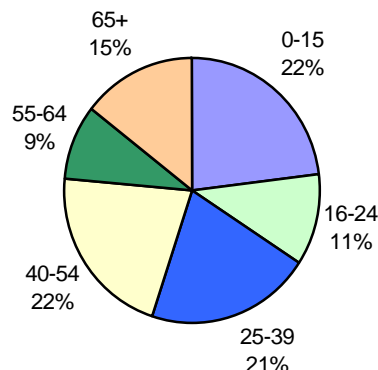
Sauk County’s labor force grew more slowly each year from 1996 to 1998 and did not grow in 1999, in spite of high participation rates and population growth. Although the participation rate remains high, it may have peaked and may decline slightly in years to come. When considering age demographics, four trends emerge. 1) Between 1990 and 1999, Sauk County gained nearly 6,400 people and nearly 1,600 or over 24 percent of them were under 24 years old. This group is less likely to contribute to high participation rates because its members are more likely to be too young to work (under 16) or “not in the labor force” due to enrollment in school. 2) The 55-and-over group grew by nearly 1,100 people, or 17 percent of the total

population increase. Each year, more members of this group will retire from the labor force. 3) With over 3,800 more 40- to 54-year-olds in 1999, the group is 50 percent bigger than it was in 1990 and it accounts for 60 percent of the County’s population increase. At some point in the medium term, employers will have to ask themselves how they will fill gaps left by baby-boomers (those born between 1946 and 1964). 4) The 40- to 54-year old group grew 50 percent while all of the younger groups put together, everyone under 40, grew by just 5.3 percent. When filling the gaps left by retirees, employers cannot count on the 25- to 39-year-olds whose ranks actually shrank between 1990 and 1999.

Sauk County Population Distribution by Age

Age Group	Population		Percent change
	1990 Census	1999 Estimate	
0-15	11,500	12,340	7.3%
16-24	5,198	5,917	13.8%
25-39	11,137	11,042	-0.8%
40-54	7,693	11,526	49.8%
55-64	4,053	4,762	17.5%
65+	7,394	7,768	5.1%

Source: Estimated from WI Dept of Admin, Demographic Services Center, Official Population Projections 1990-2020 and US Census Bureau



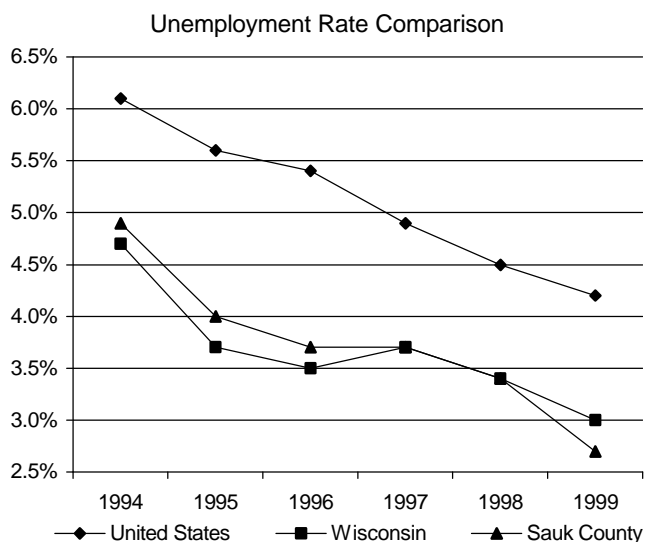
Sauk County Civilian Labor Force Data

	1994	1995	1996	1997	1998	1999
Labor Force	31,100	31,900	33,100	33,500	33,700	33,700
Employed	29,600	30,700	31,900	32,200	32,500	32,700
Unemployed	1,520	1,270	1,210	1,250	1,140	920
Unemployment Rate	4.9%	4.0%	3.7%	3.7%	3.4%	2.7%

Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

In 1999, Sauk County had a banner year for unemployment. For each of the 12 months in 1999, the unemployment rate was lower than it had been during that month in any year since 1990. Between 1994 and 1999, the number of Sauk County residents identifying themselves as employed increased by roughly 3,100 or nearly 10.5 percent. Over the same period, Sauk County employers reported an increase of nearly 6,100 jobs (21.3 percent) (see page 4). This divergence reflects the difference between workers and jobs. Surveys of Sauk County residents generate the labor force figures (reported on pages 2 and 3), while surveys of Sauk County employers generate the wage and salary figures (reported on page 4).

At least three factors contribute to the gap between these data sets: 1) They are derived from separate surveys with unrelated samples and different methodologies. 2) One resident can hold more than one job but cannot be counted as "employed" more than once. Therefore, an increase in multiple job holding can allow growth in the number of jobs to outpace growth in the number of employed persons. 3) A person residing outside of the County never counts toward the County's labor force or employment figures, but can commute to work for a Sauk County employer. Hence, an increase in inbound commuting could allow local employers to increase the number of jobs



Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

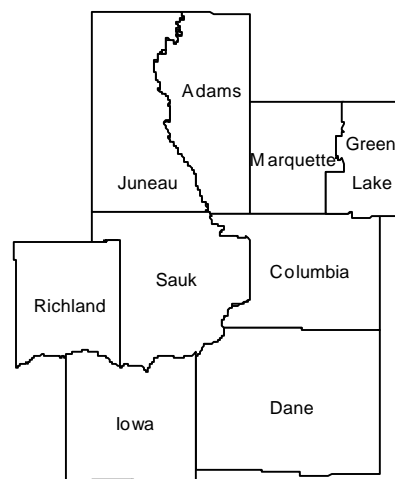
even though local residents are not accepting those jobs.

With sharply falling unemployment and no significant labor force growth in 1999, the tightening labor market may have forced employers to recruit more heavily among people who already had a job or did not reside in the county. Job growth trends suggest a shift in emphasis from manufacturing to retail. (See page 3.) The retail sector's part time positions and low wages increase the likelihood that a worker can or must hold more than one job, while manufacturing wages and schedules do far less to encourage workers to hold more than one job.

Sauk County Commuting Patterns

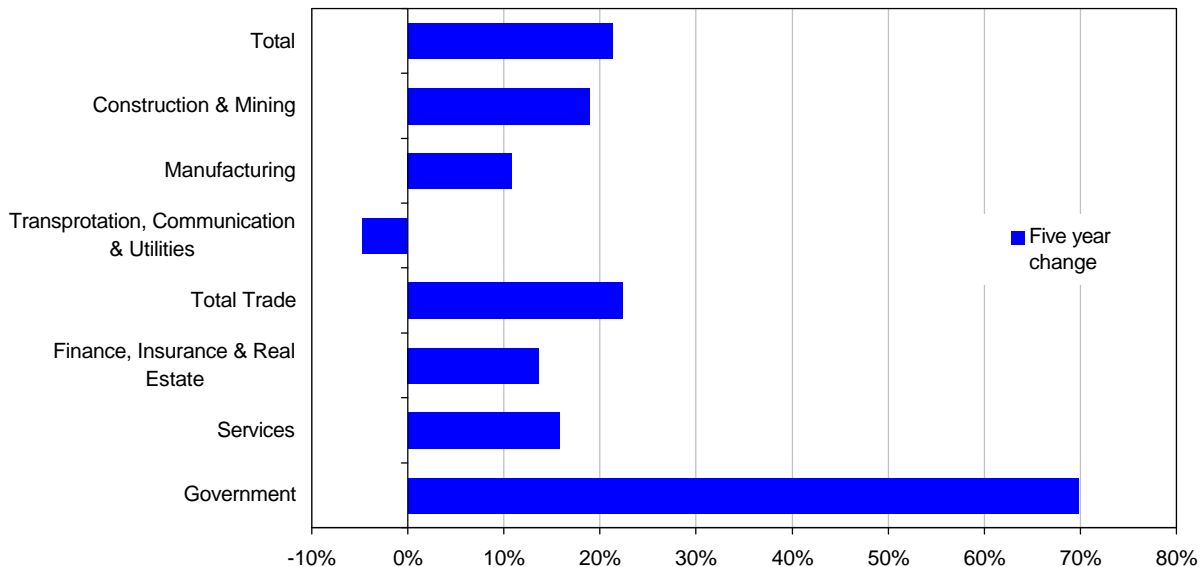
	Commute to	Commute From	Net Commute
Adams County	50	379	329
Columbia County	671	1,104	433
Dane County	2,303	1,108	-1,195
Iowa County	157	301	144
Juneau County	240	720	480
Marquette County	70	86	16
Richland County	149	757	608
Elsewhere	457	172	-285
Total	4,097	4,627	530
Work within Sauk County		29,405	

Source: WI DWD, BLMICS. *Wisconsin's Commuting Patterns*, 1994.



[The above commuting estimates were based on 1990 census data. Comparable data from the 2000 census will not be released before mid 2002 and updated commuting estimates will not be available before 2003. Although numbers will change, general patterns of movement are expected to continue.] Of nearly 4,100 workers who left Sauk County for work in 1990, roughly 56 percent went to Dane County, which usually has one of the state's lowest unemployment rates and offers higher wages for many jobs. Less than half as many people commuted the other direction, from Dane into Sauk. Tourists and workers from several counties travel into recreational and commercial areas such as Baraboo, Lake Delton, Reedsburg and the Wisconsin Dells. Much of Sauk County's economic activity originates in or passes through at least one of these areas.

Sauk County Employment Change by Industry 1994 to 1999



	1994	1995	1996	1997	1998	1999	Percent change	
							1 year	5 year
Total	28,452	29,781	30,553	31,547	32,662	34,518	5.7%	21.3%
Goods Producing	8,019	8,450	8,579	8,492	8,595	9,020	4.9%	12.5%
Construction & Mining	1,640	1,805	1,738	1,732	1,778	1,950	9.7%	18.9%
Manufacturing	6,379	6,645	6,842	6,760	6,817	7,071	3.7%	10.8%
Durable	3,545	3,615	3,863	3,900	4,032	4,344	7.8%	22.6%
Nondurable	2,834	3,030	2,978	2,860	2,785	2,726	-2.1%	-3.8%
Service Producing	20,434	21,331	21,974	23,055	24,067	25,498	5.9%	24.8%
Transportation, Communications & Utilities	1,090	1,135	1,127	1,043	1,008	1,038	3.0%	-4.7%
Total Trade	7,287	7,882	8,053	8,294	8,519	8,913	4.6%	22.3%
Wholesale	1,582	1,740	1,777	1,731	1,727	1,670	-3.3%	5.5%
Retail	5,705	6,142	6,276	6,563	6,792	7,243	6.6%	27.0%
Finance, Insurance, and Real Estate	908	958	1,001	1,021	999	1,032	3.3%	13.6%
Services & Misc.	8,175	7,182	7,570	8,419	9,082	9,466	4.2%	15.8%
Total Government	2,974	4,174	4,223	4,279	4,459	5,049	13.2%	69.8%

Source: WI DWD, Bureau of Workforce Information, Nonfarm Wage & Salary estimates.

The nonfarm wage and salary employment figures estimate the number of jobs in Sauk County that pay a wage or a salary. Self-employed people, business proprietors, and family farms are not included because they are outside the standard payroll systems that generate these figures. (Despite the term “nonfarm”, an agricultural job paying a wage or salary is included in “services & misc.”)

From 1994 to 1999, overall employment in Sauk County grew by 21.3 percent, or nearly 6,100 jobs. The growth of government jobs might appear disproportionately high in light of other trends in population and employment. Clarification is in order. Up to and including the year 1994, jobs provided by the Ho-Chunk Nation were classified by the nature of the goods produced or services involved in each job. Starting in 1995 (and each year thereafter), these jobs were classified as “government”. Even after losing Ho-Chunk Nation jobs, the services classification grew 15.8 percent from 1994 to 1999, from providing 24% of Sauk County’s jobs in 1995 to 28 percent in 1999. This reflects a nationwide shift from manufacturing to services as well as Sauk County’s strong recreation and tourism industry.

From 1994 to 1999, the number of manufacturing jobs grew 10.8 percent. The manufacturing sector provided 22.5 percent of Sauk County’s wage and salary jobs in 1994 and provided just over 20 percent of them in 1999. While employment in durable goods manufacturing grew 7.8 percent from 1998 to 1999 and 22.6 percent from 1994 to 1999, employment in nondurable goods manufacturing fell 2.1 percent from 1998 to 1999 and 3.8 percent from 1994 to 1999.

Sauk County's Largest Industries and Employers

Top 10 Industry Groups

Industry Group	March 2000		Numerical Change	
	Employers	Employment	1 Year	5 Years
Eating And Drinking Places	133	2,415	139	217
Health Services	64	2,388	60	249
Educational Services	*	*	*	*
Miscellaneous Retail	65	1,736	45	651
Hotels And Other Lodging Places	51	1,675	239	616
Rubber And Misc. Plastics Products	10	1,414	-77	-333
Wholesale Trade-Nondurable Goods	38	1,352	61	142
Business Services	31	1,207	233	594
Executive, Legislative, And General	35	1,134	46	-56
Primary Metal Industries	*	*	*	*

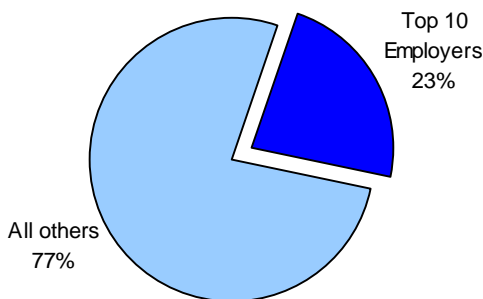
*data suppressed to maintain confidentiality

Top 10 Private Sector Employers¹

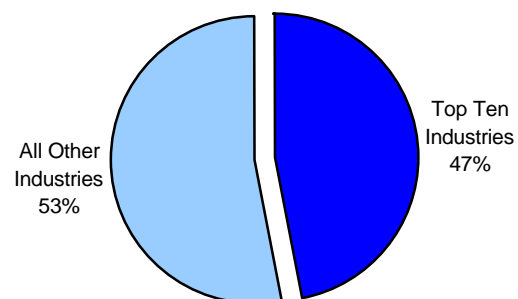
Company	Product or Service	Size
Ho-Chunk Nation	Gaming, lodging and various	1000+
Land's End Inc.	Catalog and mail order house	1000+
Grede Foundries Inc.	Iron and steel foundries	500-999
Sysco Corp.	Groceries and related products	500-999
Cardinal IG Co.	Glass products manufacturing	500-999
Flambeau Corp.	Plastics manufacturing	500-999
Perry Judd's Inc.	Commercial printing	500-999
SSM Health Care of Wisconsin Inc.	General medical and surgical hospital	500-999
Midwest Labor Inc.	Temporary staffing & employment	250-499
Sauk Prairie Memorial Hospital Inc.	General medical and surgical hospital	250-499

Source: WI DWD, Bureau of Workforce Information Bureau, ES-202 file tape, 1st quarter 1999 and LMI benchmark 2000.

Top 10 Employers Share of Nonfarm Employment



Top 10 Industry Groups Share of Nonfarm Employment



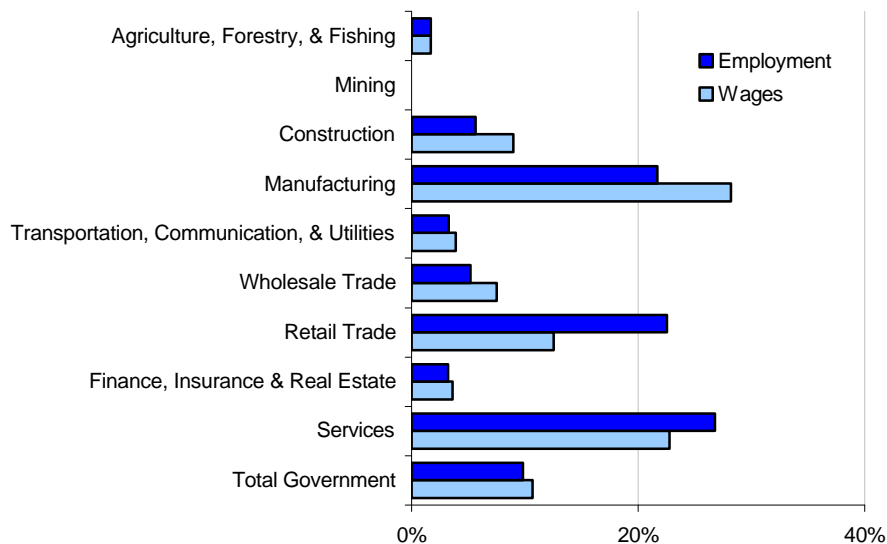
As of March of 2000, 1,719 employers had operations in Columbia County. Over 1,600 of these were private sector employers, with the largest number dealing in services (494) and retail trade (413). Except for the rubber and plastics industry, all of Sauk County's major industry groups gained jobs between 1994 and 1999 and between 1998 and 1999. Growth was particularly strong in retail, hotel and lodging and business services. At least some of the growth in business services can be attributed to staffing agencies whose employees may work at manufacturing plants. This adds a wrinkle to the apparent contraction in manufacturing.

The prevalence of jobs in retail and eating and drinking places and hotels and lodging is consistent with possible increases in the number people holding more than one job. Wisconsin Dells tourism and Ho-Chunk Nation gaming bring the travelers and generate the local income that sustain many of these jobs. Because wage growth, advancement opportunities and employee benefits can be limited, workers may regard these jobs as mixed blessings. An economic slowdown or bad tourist season could amplify this feeling by making consumers less likely to spend money on food, recreation and gaming in Sauk County.

Sauk County Employment and Wages 1999

	Annual Average Wage	State Average Wage	Percent of State Average	Percent change 1 year	Percent change 5 year	Number of Workers
All Industries	\$23,812	\$29,609	80.4%	4.5%	18.3%	32,008
Agriculture, Forestry, & Fishing	\$23,576	\$21,499	109.7%	0.3%	5.1%	550
Mining	*	\$39,968	*	*	*	*
Construction	\$37,767	\$36,772	102.7%	4.7%	27.2%	1,812
Manufacturing	\$30,954	\$37,773	81.9%	4.7%	24.1%	6,946
Transportation, Communications, & Utilities	\$28,230	\$34,523	81.8%	5.2%	7.9%	1,052
Wholesale Trade	\$34,584	\$38,048	90.9%	4.5%	22.2%	1,660
Retail Trade	\$13,223	\$15,066	87.8%	2.9%	21.4%	7,221
Finance, Insurance, & Real estate	\$26,682	\$37,911	70.4%	8.2%	26.1%	1,027
Services	\$20,258	\$26,041	77.8%	8.4%	19.8%	8,568
Total Government	\$25,896	\$32,017	80.9%	1.9%	18.3%	3,149

Total Employment and Wage Distribution by Industry Division



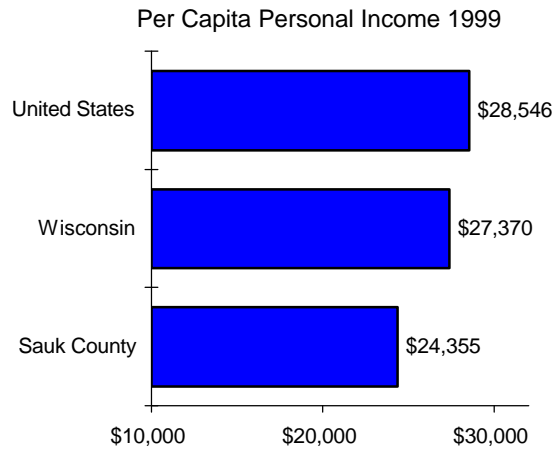
Source: WI DWD, Bureau of Workforce Information, *Employment, Wages and Taxes Due covered by Wisconsin's U.C. Law, Tables 209-211.*

Sauk County's average job paid just over \$23,800 in 1999, up 4.5 percent from 1998 and up 18.3 percent from 1995. In terms of proportional wage growth from 1998, retail and services lead the pack, growing 8.4 percent and 8.2 percent. This growth still leaves these industries as the lowest-paying in the county. The service sector provides 26.8 percent of the County's jobs and 22.8 percent of its wages. Retail provides 22.6 percent of the jobs and 12.5 percent of the wages. Contrasting this with manufacturing, which provides 21.7 percent of the jobs and 28.2 percent of the wages, sheds light on workers' concerns about manufacturing receding while services and retail take its place.

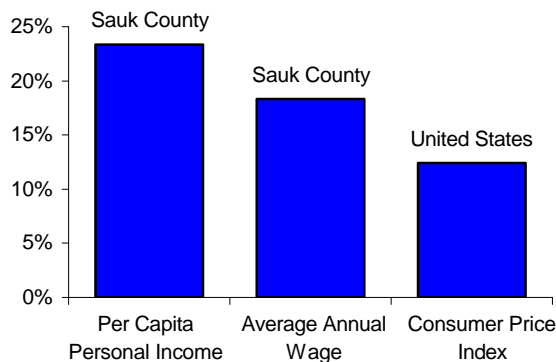
The prevalence of part-time jobs in the retail sector has three consequences relevant here. 1) Part-time workers put in fewer hours per year, so hourly wages in retail may not be quite as far below hourly wages in other industries as the above figures suggest. 2) Part-time retail workers may rely on other jobs for their primary source of income, in which case their standard of living may be higher than their retail wages alone would suggest. 3) People whose schedules are constrained by school, family or other obligations might not be in the labor force at all if it were not for part-time jobs.

Sauk County's all-industry wage was roughly 80 percent of the statewide average. Two industries' wages stood up well compared to the statewide averages: agriculture, forestry and fishing at 109.7 percent and construction at 102.7 percent. These industries don't necessarily rely on metropolitan areas or corporate offices for good wages. Wages in the finance, insurance and real estate wages vary significantly depending on whether local operations include a corporate office or processing center that generates sufficient numbers of technical, professional and managerial jobs. Like most counties that lack such a facility, Sauk has below-state-average wages in the finance, insurance and real estate industry.

Sauk County Wage and Income Data



Comparison of Selected Data: 1994 - 1999



Per capita personal income (PCPI) includes income from wages and self-employment, investment income (dividends, interest, rent), and transfer payments (social security, insurance and public assistance). Sauk County's 1999 PCPI was 23.3 percent higher than in 1994. This is slightly less than the statewide average PCPI growth of 26.1 percent over 5 years, and it is close to the non-metropolitan Wisconsin average PCPI growth of 25.1 percent over 5 years. The Consumer Price Index, (a leading measure of inflation published by the Bureau of Labor Statistics), rose 12.4 percent between 1994 and 1999. Even after adjusting for inflation, PCPI appears to have grown significantly, but gains were distributed unevenly.

According to the payroll survey on page 6) wages paid by Sauk County employers increased 18.3 percent from 1994 to 1999. Meanwhile, PCPI analysis shows that Sauk County residents' investment income grew by 41.2 percent. Dividends, rents and interest payments increase income inequalities because they go only to those who can afford to invest and go disproportionately to those who can afford to invest large sums. Much of the County's job growth was related to tourism and recreation, in businesses such as hotels, restaurants and retail stores. Wage prospects in these fields do not follow the profit margins of investors or proprietors. Transfer payments would mitigate the effects of income inequality, but the 23.9 percent growth rate of transfer payments lagged far behind that of investment income.

Per Capita Personal Income

	1994	1995	1996	1997	1998	1999	Percent Change	
							1 year	5 year
United States	\$22,581	\$23,562	\$24,651	\$25,874	\$27,321	\$28,546	4.5%	26.4%
Wisconsin	\$21,699	\$22,573	\$23,554	\$24,791	\$26,227	\$27,370	4.4%	26.1%
Sauk County	\$19,747	\$20,337	\$21,340	\$21,882	\$23,431	\$24,355	3.9%	23.3%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Selected Occupational Wage Data

	Mean	Median
Retail salesperson	\$8.40	\$7.09
Cashier	\$6.72	\$6.40
Team assembler	\$10.00	\$9.81
Stock clerk or order filler	\$8.06	\$7.35
Hand laborer, material mover	\$9.20	\$9.09
General office clerk	\$9.41	\$9.25
General or operations manager	\$24.48	\$21.40
Heavy truck/tractor-trailer driver	\$14.47	\$13.39
Registered nurses	\$18.54	\$17.99
Nursing aid, orderly or attendant	\$8.74	\$8.41
Maid or housekeeping cleaner	\$7.25	\$7.13
Gen. maintenance/repair worker	\$12.43	\$11.97
Hand packer or packager	\$9.01	\$8.69
Customer service representative	\$11.15	\$10.78
Accounting clerk/bookkeeper	\$10.37	\$10.06

Source: DWD, BWI, 1999 OES wage survey for Balance of State

See: http://www.dwd.state.wi.us/lmi/wages_oesmsa.htm

The wages for the selected occupations were reported by employers in the non-metropolitan areas of Wisconsin that responded to the Occupational Employment Statistics (OES) survey. Wages vary considerably from county to county depending on dominant industries and availability of jobs within commuting distance. Wages indicate what types of goods and services a county's workers and employers can afford.

The mean wage is the sum of all wages in an occupation divided by the number of wage earners in the occupation. The median wage is the midpoint of reported wages for an occupation; the same number of people were reported above this wage as below.

The occupations listed were selected because they employ the largest number of people in non-metropolitan Wisconsin. Jobs in health care and retail are plentiful, and many are geared toward workers with high school education or 2-year college degrees more than people with 4-year degrees.